

INFORMATIONAL HEARING AND SITE VISIT
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Application for Certification) Docket No.
for the Elk Hills Power Project) 99-AFC-1
_____)

VALLEY ACRES RECREATION BUILDING
27554 MAPLE STREET
VALLEY ACRES, CALIFORNIA

MONDAY, JULY 12, 1999

6:30 p.m.

Reported By:

Valorie Phillips

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PETERS SHORTHAND REPORTING CORPORATION
(916) 362-2345

COMMITTEE MEMBERS PRESENT

David A. Rohy, Commissioner, Presiding Member

Bob Eller, Commissioner Advisor

Gary Fay, Counsel, Hearing Officer

STAFF PRESENT

Marc Pryor, Siting Project Manager

David Mundstock, Senior Staff Counsel

Roger Johnson, Siting Project Manager

Eric Knight, Planner I

ALSO PRESENT

Taylor O. Miller, Downey, Brand, Seymour & Rohwer,
representing Applicant

Joseph H. Rowley, P.E., Sempra Energy Resources,
Project Manager

Dennis Champion, Environmental Manager, Occidental

Lizanne Reynolds, Adams, Broadwell, Joseph &
Cardozo, representing CURE

Bob Hampton, West Side Waste Management Company,
Incorporated

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1 P R O C E E D I N G S

2 6:35 p.m.

3 HEARING OFFICER FAY: Okay, I'd like the
4 meeting to please come to order.

5 I want to welcome you all to the
6 Informational Hearing for the Elk Hills Power
7 Project. I hope you had a chance to join us on
8 our site visit today, where we went out and looked
9 at the power plant site and the transmission and
10 water line facilities.

11 To my immediate left is Commissioner
12 David Rohy, who is the Presiding Commissioner on
13 this case, and to his left is Bob Eller, Dave's
14 assistant. And I am Gary Fay, I'm the Hearing
15 Officer on the case.

16 And what I'd like to do very briefly is
17 just have the main parties introduce their people.
18 Before we do that, could I just ask anybody who's
19 a member of the public who's here not connected
20 with the power company, please raise your hand.

21 Oh, good. We do have some people. For
22 you folks in particular, I want to invite you to
23 ask questions. This hearing is really primarily
24 for you, because obviously the Commission staff
25 and the Applicant are familiar with how things

1 work in this business, and so we want to be sure
2 that you folks can hear what we say, to begin
3 with, and also understand how our process works.
4 And so if you have any questions, please ask.

5 So I'd like to begin by asking the
6 Applicant to introduce themselves and their team,
7 please.

8 MR. MILLER: My name is Taylor Miller.
9 I'm Project Counsel with the firm of Downey,
10 Brand, Seymour and Rohwer in Sacramento. And to
11 my right is Joe Rowley, who is Project Manager for
12 the Elk Hills Power Project. To my left is Dennis
13 Champion, who's Environmental Manager with
14 Occidental on Elk Hills, and is also helping to
15 manage the project permitting.

16 HEARING OFFICER FAY: And for the staff?

17 SITING PROJECT MANAGER PRYOR: Good
18 evening. My name is Marc Pryor, I'm the Project
19 Manager for the Commission. To my right is Mr.
20 David Mundstock, he is with the Counsel's Office,
21 Staff Counsel. He is filling in tonight for Ms.
22 Kerry Willis. She is at another hearing tonight.

23 HEARING OFFICER FAY: Okay. And we have
24 a representative from CURE. CURE has intervened.
25 Lizanne, do you want to introduce yourself?

1 MS. REYNOLDS: Lizanne Reynolds, Adams,
2 Broadwell, Joseph & Cardozo, representing
3 California Unions for Reliable Energy.

4 HEARING OFFICER FAY: All right.
5 Anybody else wish to identify their organization?
6 I will ask that everybody please sign in. There's
7 a form back there, and we'd like your name, and
8 there's a spot to check if you want to start
9 receiving information about the case. But please
10 be sure to sign in this evening. You can get up
11 at any time and do that. That's fine.

12 I want to explain what we're going to do
13 tonight, and we're going to try to move things
14 along since it's very hot. We are going to go
15 through and have the parties make their
16 presentations. The staff, the applicant, the
17 Public Adviser's Office, I'll read a statement for
18 the Public Adviser. They don't have a
19 representative here tonight, but I hope I'll be
20 able to explain to you what -- what the Public
21 Adviser's role is and how she can help you. And
22 then any other agencies that are here, we can hear
23 from.

24 This Informational Hearing is the first
25 public event that the Commission conducts for the

1 licensing of the Elk Hills Power Project. The
2 Notice of today's hearing was sent out to all
3 parties, interested governmental agencies, and
4 other individuals on June 18th, and then we sent a
5 notice out to adjoining landowners on June 25th.
6 In addition, a Notice of today's event was
7 published in the newspapers.

8 The purpose of the hearing today is to
9 provide a public forum to discuss the power
10 project, to lay out the Commission's power plant
11 review process, and to identify opportunities for
12 the public to participate in this process.

13 First we'll have -- or this is the first
14 in a series of formal hearings that extend over
15 approximately one year's time range. During that
16 year we have a number of phases of the process.
17 Right now, it's the discovery phase, where the
18 staff and any intervenors such as CURE may ask
19 questions of the applicant in writing, and the
20 applicant has to respond. All of this information
21 that goes back and forth in writing is filed in
22 our file at the Commission we call the Docket.
23 And so there's a public record of all this
24 exchange back and forth.

25 So if you're interested enough, you can

1 come and look at the Docket. You can follow our
2 Web page, the large documents that come out in the
3 Energy Commission on the case, and you can check
4 with the Docket on a master list of documents to
5 see what has been filed, and that may decide for
6 you whether you want to follow up and look at the
7 documents.

8 We conduct the entire process, from the
9 time the Applicant files its Application for
10 Certification until the time the Commission makes
11 its final decision pro or con on the project,
12 that's all done in the open, in the public forum.
13 And to ensure that this happens, we have
14 regulations under the -- the Commission's own
15 regulations and the California Administrative
16 Procedures Act, which prohibit off the record
17 communications with the two Commissioners that
18 make up the Committee, with their advisors, with
19 me, the Hearing Officer. So anybody involved in
20 the decision-making process is prohibited from
21 chatting with parties such as the applicant or the
22 staff off the record. There's no problem with
23 those parties, or anybody, for that matter,
24 writing a letter to the Commission as long as it's
25 filed in the Docket. And anything we get, we

1 expect the parties to file multiple copies in the
2 Docket. And if we get a letter from you directly
3 to Commissioner Rohy, you might write as an
4 individual, we're still going to take that letter
5 and file it in the Docket so that all
6 communications are public.

7 Oral communications on substantive
8 matters can only take place in a hearing like
9 this, between the parties in the case and the
10 decision-makers.

11 Now, Taylor can call me up anytime and
12 say what time is that workshop going to be, and I
13 can tell him. That's not a substantive matter.
14 But if he wants to bend my ear about how great the
15 project is, he's going to have to put it in
16 writing and send it in, or make that argument at a
17 public hearing.

18 We also have various ways of
19 participating in the process for members of the
20 public. They can just come to meetings like this
21 and listen, and maybe make some comments at the
22 end, or they can decide to be an active party and
23 intervene. And if somebody intervenes and is
24 granted Intervenor status, then they are formally
25 -- they have the same status as the applicant and

1 the staff, and that is what CURE has done. CURE
2 is the California Unions for Reliable Energy, and
3 they're represented by a law firm, and they're
4 interested in this case and will participate
5 actively throughout the case.

6 In addition, the La Paloma Generating
7 Company, LLC, petitioned for intervention and was
8 granted intervention along with CURE. A fellow
9 named Brad Foster of Yuba City, however,
10 petitioned for intervention and his petition was
11 denied because he failed to state relevant grounds
12 for participating in the proceeding.

13 So people that live nearby, or companies
14 that may be affected by this power plant, those
15 are people that have a relevant interest in the
16 proceeding. If you can't state a reason that
17 connects you to this project, then you may not be
18 granted intervention. But normally, we are
19 generous in granting intervention. Intervention,
20 I'll get into later, but it does carry burdens as
21 well as benefits.

22 Today as we go through this, first the
23 Commission staff will provide an overview of the
24 Commission's licensing process, and the staff's
25 role in evaluating the Elk Hills Project. Next,

1 on behalf of Roberta Mendonca, the Energy
2 Commission's Public Adviser, I will summarize the
3 statement that she's given to me that explains the
4 Public Adviser's role. And then we'll turn to the
5 applicant and ask them to review the project.

6 And after these presentations, any
7 governmental agencies that are here can speak up
8 as to their interest in the project. And we'll
9 entertain questions from the public, and any
10 comments that members of the public would like to
11 make.

12 After this we'll have a brief discussion
13 on scheduling, and the staff, I believe, is going
14 to briefly summarize their Issues Report. And
15 copies of that, by the way, are available in the
16 back. I also want to mention that the Public
17 Adviser has provided a couple of sheets, colored
18 sheets of paper to briefly summarize the schedule
19 for our process, and also telling about the
20 project, so you might want to look at that back
21 table and get copies of everything.

22 Are there any questions at this time?
23 Okay. I'll begin now with the presentations, and
24 I'll ask Marc Pryor, the Project Manager for the
25 staff, to give their presentation.

1 SITING PROJECT MANAGER PRYOR: Thank
2 you, Mr. Fay. Again, my name is Marc Pryor. Elk
3 Hills Power Project Energy Facility Siting
4 Process. I'm going to go through this fast,
5 because you're probably hot, don't want to go
6 through this and do much.

7 These are the primary people involved at
8 the Commission, myself, my phone number, e-mail.
9 Mr. Gay and Roberta Mendonca, with the -- she's
10 the Public Adviser.

11 For the Power Plant, Mr. Joe Rowley, you
12 see him, and Mr. Dennis Champion, phone numbers.

13 Energy Commission permitting authority
14 is for thermal power plants 50 megawatts or
15 greater, and all the related facilities. We're
16 the lead state agency for CEQA, the California
17 Environmental Quality Act, and we coordinate with
18 federal, state and local agencies.

19 It's normally a 12-month process. We
20 have been through the Data Adequacy already. We
21 are now in the Discovery phase. We have issues
22 data requests, and we will have a data request
23 workshop tomorrow, and we will publish a
24 Preliminary Staff Assessment, or PSA, and a Final
25 Staff Assessment, an FSA.

1 Then there will be evidentiary hearings,
2 a decision with a draft proposed decision, comment
3 period, hearing, and the final decision. Then
4 there will be compliance phase, where they will
5 monitor after the -- if the project is approved.

6 It's an open process, as Mr. Fay said.
7 Workshops and hearings, notices will be issued for
8 workshops and hearings at least ten days before.
9 We have mailing lists, as he mentioned.

10 Here are just a few of the places where
11 you can obtain some of the documents, the local
12 places, or -- or the Commission.

13 The Energy Commission is the state lead
14 agency. We'll be working with Kern County, for
15 instance the Planning Department, the Air
16 District, State Fish and Game, and Fish and
17 Wildlife Service, are just some of the agencies we
18 will coordinate with.

19 If I'm going too fast let me know, or --
20 if I'm not going fast enough, let me know, too.

21 (Laughter.)

22 SITING PROJECT MANAGER PRYOR: Staff
23 will review and analyze the proposed project, as
24 I said, all the facilities. I made a mistake in
25 one of the documents and said that there were

1 three injection wells; there are actually two.

2 Staff will focus on public health and
3 safety issues, environmental consequences, and
4 engineering aspects of the project.

5 Analysis, we ensure compliance with all
6 laws, ordinances, regulations and standards,
7 otherwise known as LORS. Environmental
8 assessment, we identify the consequences, identify
9 mitigation measures, make recommendations, and
10 evaluate alternatives. We facilitate public and
11 agency participation. We try to resolve issues,
12 and we, of course, coordinate.

13 That concludes that part. Are there any
14 questions?

15 Thank you.

16 HEARING OFFICER FAY: Thank you, Marc.

17 Ms. Mendonca, our Public Adviser, was
18 not able to be here because she is at another
19 meeting just like this up near San Jose for the
20 Metcalf Power Plant Project, and I told her that
21 I'd be glad to inform people about her role.

22 She, her job is to assist the public in
23 understanding our process, and so while we're
24 telling you all this tonight, that's a lot of
25 information. You don't have to worry about

1 getting all of it. You can call her at her 800
2 number, and I believe Marc's got that on his
3 sheet, and she's also got an e-mail address. She
4 has calling cards back there, you can take one of
5 those, it's got her number on it. And -- and she
6 will be glad to help you at any stage of our
7 process.

8 The idea is to keep the public informed
9 as we go along, and -- both ways, to keep you
10 informed, and to get input from you. So she's
11 really there just to help you do that.

12 I spoke about different levels of
13 participation, and she reiterates that some -- for
14 some folks it's informal, for some folks they want
15 to participate at a higher level and actually want
16 to intervene in the case. And if you are curious
17 about intervention, my suggestion is rather than
18 have me explain a lot about it tonight, give her a
19 call and talk about what the pros and cons are.

20 The big difference between being an
21 intervenor and not comes later, when we get into
22 the evidentiary hearing. Early on the workshops
23 will be an informal give and take and you can
24 listen and make your suggestions, that sort of
25 thing. But when we finally have to create an

1 evidentiary record we will have formal evidentiary
2 hearings, where the parties will present sworn
3 testimony, under oath, and it will be -- the
4 testimony will be filed in writing ahead of time,
5 and be available for people to review. And those
6 witnesses will be present at the hearing, and they
7 may -- and they are subject to cross examination.
8 So the attorneys for the other viewpoint may wish
9 to cross examine the witnesses.

10 She has presented back there, as I said,
11 a description about her office and a rough
12 timeline on how she expects the -- the year to
13 unfold, in terms of phases of the review for this
14 power plant. She also asked me to mention the
15 interested persons mailing list. As I said, if
16 you sign up back there you can check the box that
17 says you'd like to get more information.

18 And you'll see some blue cards back
19 there on the table, and I will introduce the role
20 of the blue card now. We're a small enough group
21 you don't need to worry about them tonight, but at
22 the evidentiary hearings we usually ask people who
23 wish to comment to fill out a blue card, and we
24 just kind of stack them up here, and then when we
25 get to the time for making public comment we go

1 through and it gives us an idea of how many people
2 want to address the Committee, and we can sort of
3 manage our time that way.

4 So that's what the blue cards are for,
5 just to put your name on and what -- what area
6 you're interested in. It might be biology or air
7 quality, something like that.

8 All right. Are there any questions
9 about the Public Adviser's role?

10 Okay. Then we'll move on to the
11 Applicant's role.

12 MR. ROWLEY: I'm Joe Rowley with Semptra
13 Energy Resources, representing the project, and
14 have a short presentation here. There are copies
15 in the back if you'd like to follow along, in the
16 little brown box back there.

17 First let me say a few words about the
18 project concept. The project, the concept of this
19 project is to use locally produced natural gas to
20 do a couple of things. You think that a power
21 plant just generates electricity, but -- it does
22 do that, but it also forms a part of the system
23 that supports electrical reliability within the
24 state. So we want to use locally produced natural
25 gas to produce energy for the deregulated energy

1 market.

2 We'll also provide what we call spinning
3 reserves, replacement reserves, a regulation
4 service that will help maintain system reliability
5 in the state as a whole. And we want to do that
6 using a technology that's environmentally sound
7 and that's efficient and competitive. The
8 technology that we selected for this project is
9 called combined cycle technology, and I'll explain
10 a little bit later what -- what that entails.

11 The scope of the project, first of all
12 it's a 500 megawatt project, it's 500,000
13 kilowatts, so it's a fairly good sized project.
14 That's enough for about -- that's between 200 and
15 500,000 homes. On a day like this probably more
16 like 200,000 homes, depending on if they have air
17 conditioning or not. But the equipment that will
18 generate that power would be two combustion
19 turbines and one steam turbine. And I'll explain
20 how that works a little bit later.

21 Also associated with the power plant are
22 what we call linear facilities. Those include a
23 2500 foot long natural gas pipeline that will
24 connect the power plant with the existing pipeline
25 that we're -- up on the Elk Hills. There's also

1 an 8.6 to 9 mile transmission line, and that
2 variability depends on which of two routes that we
3 select. And those of you that went on the tour
4 saw major portions of both of those routes.

5 There's a water supply pipeline that
6 would be 9.8 miles long, that would extend from
7 existing West Kern Water District facilities up to
8 the power plant site.

9 And then lastly, there's a wastewater
10 disposal line that's 4.4 miles long, that would
11 extend from the power plant down to wastewater
12 disposal wells.

13 Also included in the project is what we
14 term state of the art air pollution control
15 equipment, and also equipment that will basically
16 make this plant have no significant impact on the
17 environment from air quality perspective and from
18 other perspectives, as well.

19 Now, the partner in this project, the
20 actual Applicant is Elk Hills Power LLC, which is
21 what we call a project company. That project
22 company is made up of subsidiaries of Sempra
23 Energy Resources, the company that I work for, and
24 also Occidental Energy Ventures Corp. It's a
25 50/50 partnership, basically. The project site is

1 a 12 acre area that's up on top of the Elk Hills.
2 It's roughly in the center of the 75 square mile
3 area that's encompassed by the Elk Hills, so a
4 relative small piece of land within the very large
5 Elk Hills Oil and Gas Field.

6 The benefits of the project, in addition
7 to the power that's supplied to the energy
8 marketplace and the reliability that the project
9 will help to provide to the state as a whole,
10 there are local benefits associated with the
11 project including an increase in tax base of
12 around \$225 million. There are jobs that would be
13 both construction and operations jobs. Jobs are
14 numbered at roughly 350 at peak, 240 on average
15 during the construction period, which would last
16 around 16 months.

17 The permanent jobs would be -- would
18 number about 20. And, of course, associated with
19 a project this size are purchase of materials and
20 supplies, some of which would be purchased
21 locally. And there's estimates of those in a
22 hand-out that's also found on the back table.

23 There's, of course, the normal secondary
24 benefits associated with expenditures of
25 construction and operations payroll in the local

1 community that -- that would also -- I'll tell you
2 what, we will skip over this point, because
3 everyone is here, so you know where we're at.

4 And sometimes it's better to look at the
5 linear facilities on a map where you kind of get
6 an overview. We drove around and saw major
7 portions of these linear facilities.

8 Let me just point out the two
9 transmission line routes, Route 1A is this route
10 here, which would come over and interconnect with
11 an existing transmission line that's owned by PG&E
12 and the Department of Water Resources, so that's
13 Route 1A. Route 1B is a 8.6 mile route that would
14 connect directly with PG&E's Midway Substation.

15 The water line route is shown here, a
16 portion of it below ground and a portion above
17 ground, a total of 9.8 miles. And then here's the
18 4.4 mile long wastewater disposal line.

19 Here's a simulation of what the power
20 plant would look like. If you were driving along
21 Elk Hills Road, and you get to the top of Elk
22 Hills and look off to your left where the power
23 plant site is located, boxed in yellow there's --
24 is what the power plant would look like. And
25 really what you're seeing here are the two heat

1 recovery steam generators that make steam for the
2 steam turbine and the stacks associated with that.
3 The other equipment is all generally lower profile
4 than those two pieces of major equipment.

5 And the next page describes how this
6 plant turns natural gas into electricity, and you
7 can read over that. If you have any questions,
8 I'd be glad to answer those questions afterwards.

9 The contribution to the local property
10 tax base would have impacts as shown on this page,
11 and you can look those -- read those over, as
12 well.

13 And lastly, the project schedule. We
14 submitted our Application for Certification to the
15 Energy Commission on February 24th. The Energy
16 Commission made a decision finding that the
17 application was adequate, all the pieces were
18 there, so they could go forward and review it.
19 And that finding was made on June the 9th. That
20 basically started the clock on the review process
21 that lasts about a year, and we are shooting for
22 project approval in June of next year, and then
23 we're looking for operations prior to the summer
24 of 2002.

25 And that concludes my presentation.

1 Again, if there are any specific questions I'd be
2 glad to answer those after the hearing. Or now,
3 if anyone has any questions.

4 Great. Thanks.

5 HEARING OFFICER FAY: Yes, you have a
6 question?

7 (Question from the audience.)

8 HEARING OFFICER FAY: Joe, could you
9 repeat the question? We can't pick this gentleman
10 up.

11 MR. ROWLEY: Okay. The question is
12 referencing the Kern High Refunding and other
13 specific items on the assessment of how the
14 project would affect revenues coming in to the
15 local tax revenues.

16 And the way that this is calculated is
17 that there's a percentage associated with a number
18 of different local agencies, and the property
19 taxes are dispersed based on that percentage
20 basis. And we've taken that percentage which we
21 received from the county and basically applied
22 those percentages against these local agencies.
23 So these are -- these are the local agencies that
24 we're aware of, based on our information from the
25 county, that would receive property tax revenues.

1 (Question from the audience.)

2 HEARING OFFICER FAY: The gentleman
3 commented that he thinks perhaps the designation
4 is wrong, because the project, in his view, is
5 located in the Elk Hills High School District.

6 I think it's fair to point out, too,
7 that we know from previous power plant cases that
8 a list like this looks like great news for local
9 education, but in fact the money goes to the state
10 and -- and comes back in a -- in a different
11 proportion based on the -- on the local needs, not
12 necessarily based on the area's ability to
13 generate revenue.

14 So the project, whatever revenue it
15 would bring to the area, this percentage wouldn't
16 necessarily go to the schools. The schools are
17 kind of unique that way.

18 MR. ROWLEY: Yes. Separate from
19 property taxes are impact fees that may be
20 assessed on the project in order to assess direct
21 impacts on local school district, so that's --
22 that's shown here. And it's something that will
23 be discussed during the review process of the
24 application.

25 HEARING OFFICER FAY: Commissioner Rohy

1 pointed out to me, make clear to everybody,
2 neither the Energy Commission nor the Elk Hills
3 Power Project decide where this money will go, or
4 how much it is. Your tax rate, of course, is
5 local and state, and these things are all
6 determined by local and state government.

7 Any other questions to the Applicant?

8 Okay. What I'd like to do, then, is ask
9 Mr. Pryor if he would review the staff's Issues
10 Assessment Report. And what they've done is
11 attempt to early on identify areas that they think
12 are going to be a little more difficult to
13 resolves, and so that our interests can focus on
14 those areas early on. That doesn't mean that
15 these things won't be resolved. We hope they all
16 will. But right now, this is where they see much
17 of their resources going.

18 SITING PROJECT MANAGER PRYOR: Thank
19 you.

20 Potential issues, early identification
21 issues for the Committee, the Applicant, agencies
22 and the public -- I'm sorry, I need this. Sorry
23 about that. Okay, we tried to identify potential
24 issues, early identification for all those
25 involved.

1 And major issues, definition. Project
2 impacts that may be difficult to mitigate. The
3 project, as proposed, may not comply with laws,
4 ordinances, regulations and standards. Potential
5 conflicts over findings and conditions of
6 certification.

7 Right now what we've identified as
8 potential technical issues are in the areas of air
9 quality, biological resources, and water
10 resources.

11 Potential scheduling issues related to
12 local air district permit and federal air permit.
13 Biological consultation by U.S. Fish and Wildlife
14 Service, and a biological permit from the Fish and
15 Game.

16 For air quality, for instance, we're not
17 certain what the emission reduction credit ratio
18 will be. Steam injection for the power
19 augmentation. Will the proposed use of dry low
20 NOx result in higher CO emissions. And the number
21 and types of start-ups per year.

22 Biological. Power plant located in an
23 area which supports more listed species than
24 anywhere else in the continental U.S. Twelve
25 sensitive biological resources have been

1 identified by the project. Avoidance measures and
2 compensation for lost habitat are essential.

3 Off-site compensation. You read the
4 figures there. There are both permanent and
5 temporary.

6 And then we're concerned about the
7 timeliness of the Fish and Wildlife biological
8 consultation. We just went through a process with
9 La Paloma, and we're hoping that a lot of ground
10 was broken there, and it won't take as long.

11 Okay, fully protected species. Blunt-
12 nosed leopard lizard, both state endangered and a
13 fully protected species. Fish and Game does not
14 allow "incidental take" for this. Fish and
15 Wildlife allows limited.

16 Cumulative impacts. What are the direct
17 and indirect impact to biological resources posed
18 by two or more projects. We have this project, La
19 Paloma, and Sunrise right now.

20 Federal biological opinions from Fish
21 and Wildlife should take 135 to 180 days from the
22 time that they get the consultation request from
23 BLM, Bureau of Land Management. Fish and Game's
24 Incidental Take Permit, a 2081b, should be issued
25 shortly after the Energy Commission's final

1 decision. The final decision is used by Fish and
2 Game right now as the environmental document.

3 We will work closely with both agencies
4 and will urge them to attend and participate in
5 all related workshops, site visits, and hearings.
6 Sometimes it's difficult. We -- you don't dictate
7 anything to them.

8 Water supply. Will be State Water
9 Project provided through the Western Kern Water
10 District's entitlement, so it's not taken out of
11 the aqueduct, it's through the entitlements
12 already. So there's not a new use.

13 Wastewater discharge and disposal. As I
14 said, there are two deep injection wells proposed.
15 And we're not certain whether the Regional Water
16 Quality Control Board will be the permitting
17 agency, or if it will be the EPA. That's a
18 subject of a data request that we'll discuss
19 tomorrow.

20 Proposed schedule from the staff is
21 this. The first big date is the -- for the
22 public, is 19 November, that's when we should be
23 filing our Preliminary Staff Assessment. And then
24 the second, the Final Staff Assessment in mid-
25 January. And the hearings should start 18 January

1 or thereabouts. Depends on the Committee. And
2 the proposed decision 22 May is what's on the
3 board now. Things could change.

4 Staff's goal. As I said, the PSA and
5 FSA on those two dates. Key events that will
6 dictate the timeliness of these two reports are
7 timely response from Elk Hills to data adequacy --
8 or data requests, pardon me. Timely completion of
9 the two biological areas of Fish and Wildlife and
10 Fish and Game. And the local air district and
11 federal EPA permits for air -- air quality.

12 In closing, we propose to provide
13 periodic status reports to the Committee on the
14 progress in addressing these issues and any other
15 issues identified during the process.

16 I've included a short list of acronyms
17 for your reference.

18 Are there any questions? Okay, thank
19 you very much.

20 HEARING OFFICER FAY: Thank you, Marc.

21 The Committee will be getting out a
22 scheduling order by July 27th, and that will
23 reflect the dates that Marc has in his schedule,
24 or something close to it, as well as some
25 additional detailed dates to plug in. The idea is

1 to give everybody a sense of what is likely to
2 happen between now and the beginning of the
3 evidentiary hearings. So it won't take the case
4 all the way through to the end, but I have to
5 stress that it is a schedule that's proposed,
6 because in many cases we don't have control over
7 when certain events happen.

8 For instance, if the local air district
9 takes longer than we anticipate to issue its
10 opinion, or, as Marc mentioned, the Fish and
11 Wildlife Service takes longer than anticipated to
12 get their contribution in to the record, then that
13 would -- that would change our schedule. So right
14 now this is our best guess of what it's likely to
15 be, and you'll get a more detailed version of it
16 issued by the Committee on the 27th.

17 For those of you that plan to attend the
18 workshop, I encourage you to look over the
19 acronyms. We're often guilty of using alphabet
20 soup, and if we fall into this, at least bring
21 this along so you can kind of follow along. And
22 you're welcome to ask any questions as you go. In
23 fact, we really encourage that. The process was
24 designed to bring the public in, and the easiest
25 way for us to do that is for you to tell us what

1 you need.

2 At this time, I'd like to ask if there's
3 any additional questions or if anybody would like
4 to make a comment. All right, this is your
5 opportunity. So all your questions were answered
6 in these excellent presentations? And if not,
7 you're just too hot to ask.

8 I would like to thank Elk Hills Project
9 for providing dinner for us all, I appreciate
10 that.

11 Yes, sir. Could you say your name and
12 --

13 MR. HAMPTON: My name is Bob Hampton,
14 I'm the owner of West Side Waste Management
15 Company, Incorporated, which is the waste hauler
16 in this area. Also a member of the board of
17 directors of an organization called Associated
18 Builders and Contractors.

19 And this is what I'm not quite sure
20 about, whether this is the proper time to express
21 some questions.

22 On the La Paloma project, that PG&E
23 generating -- signed a project labor agreement
24 with the contractor where only union labor is
25 used. And as a board of directors on ABC and a

1 supporter of the merit shop concept, and I
2 understand CURE, California Unions for Reliable
3 Energy is represented here this evening, at what
4 time does -- do we address that issue of a PLA, a
5 Project Labor Agreement?

6 HEARING OFFICER FAY: Well, I believe
7 normally that's something that the Applicant is,
8 you know, works out with the unions outside the
9 case. It usually does not enter in the case. If
10 you have concerns about that that you want to
11 bring to the Energy Commission's attention, you
12 may want to intervene or just participate in the
13 workshops on socio-economic issues.

14 But I think probably your best bet would
15 be to contact Ms. Mendonca, the Public Adviser,
16 and get a suggestion from her on when these events
17 are likely to come up, specifically on socio-
18 economic issues, because that's usually where
19 labor agreements are raised.

20 MR. HAMPTON: Okay, you've answered the
21 question.

22 HEARING OFFICER FAY: You can also, of
23 course, talk to the Applicant about their plan,
24 just, you know, it doesn't have to be in a public
25 hearing. That ex parte rule I explained was only

1 for the people out there versus the decision-
2 maker. But the people out there can all talk to
3 each other. They just can't lobby the decision-
4 maker.

5 MR. HAMPTON: Thank you. You've
6 answered my question, so thank you very much.

7 HEARING OFFICER FAY: Sure. Any other
8 questions while we're on this? Or on any other
9 topic, for that matter?

10 Okay. As Mr. Pryor said, the next event
11 in the case is tomorrow, and it's a workshop.
12 What topics will you be covering, Marc?

13 SITING PROJECT MANAGER PRYOR: We'll be
14 addressing air quality, hazardous materials,
15 biology, transportation -- or traffic and
16 transportation, and cultural resources. I think
17 that's it. I don't have it right in front of me.

18 HEARING OFFICER FAY: Okay. So if you
19 plan to follow along the whole case, you may want
20 to attend that. Mr. Pryor will be filing a
21 summary of the workshop, and again, that's the
22 kind of document that ends up in our Docket. So
23 if you need to catch up at some point in the case,
24 these documents are available. The easiest thing
25 is to make use of the Website. It doesn't have

1 all the documents, but it is a way to keep up with
2 the big pieces in the case.

3 Okay. Last call for any questions.

4 (Question from the audience.)

5 SITING PROJECT MANAGER PRYOR: Nine
6 o'clock.

7 HEARING OFFICER FAY: The workshop
8 starts at nine o'clock, here. Tomorrow morning.

9 And if that's not a disincentive, I
10 don't know what is. You can find the coolest
11 place around to relocate. Be sure to put a note
12 on the door if you relocate.

13 Okay. All right, last call for
14 questions. I don't see any hands.

15 I want to thank you all for coming.
16 Thanks again to the Applicant for providing
17 dinner, and we are adjourned.

18 (Thereupon, the Informational Hearing
19 on the Application for Certification
20 for the Elk Hills Power Project
21 was concluded at 7:17 p.m.)

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CERTIFICATE OF REPORTER

I, VALORIE PHILLIPS, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Informational Hearing; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said Informational Hearing, nor in any way interested in the outcome of the Informational Hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of July, 1999.

VALORIE PHILLIPS